

Grand Cayman, March 27th 2008

NanoDimension leads Expansion Capital Round for Xtellus, Inc.

NanoDimension Management Limited, Grand Cayman, is pleased to announce that NanoDimension Limited Partnership has invested into Xtellus, Inc, Morris Plain, New Jersey (USA).

NanoDimension Limited Partnership, together with Xtellus's existing investors, led the \$8.3M expansion capital round. Xtellus, Inc, a leading supplier of scalable Wavelength Selective Switches (WSS) for reconfigurable optical networks, will use the funds to further expand its WSS product lines and manufacturing facilities to meet rapidly growing customer demand fueled by the accelerating deployment of reconfigurable optical add/drop multiplexer (ROADM) systems in optical networks.

"The investment in Xtellus's team and their ROADM technology is an exciting, strategic entry into the fastest growing segment of the resurgent optical networking market," said Aymeric Sallin, NanoDimension AG, Founder & Managing Director. "Xtellus's unique combination of Liquid Crystal and MEMS technologies enables them to deliver the industry's broadest range of WSS to satisfy the needs of all ROADM applications."

"In response to continually rising customer demand, this investment will allow us to immediately scale our manufacturing capacity in South Korea for the second time in less than two years," said Dr. Krishna Bala, Xtellus president and CEO. "This investment also allows us to fuel further growth by accelerating the release of new innovative products for both Edge and Core ROADM applications."

About Xtellus

Xtellus, headquartered in New Jersey with manufacturing and development facilities in South Korea and Israel, designs and manufactures Liquid Crystal and MEMS-based wavelength selective switches (WSS) for Edge and Core ROADM applications. Xtellus products provide wavelength management functionality that allows DWDM optical networks to handle traffic without expensive electronic conversion. For more information visit www.xtellus.com or contact Jonathan Homa, email: jonathan.homa@xtellus.com, tel: 973-326-1100 #113.

About NanoDimension

NanoDimension is a venture capital firm supporting top entrepreneurial teams to build nanotech companies with the potential to become world leaders in their field. The investment activities focus on IT/electronics and life sciences, and on the convergence of these areas, in Europe as well as in North America. NanoDimension pursues an active and comprehensive investment approach by providing the companies with financial resources, strong entrepreneurial and managerial experience and extensive scientific expertise through its team of experts. For additional information please visit www.nanodimension.com.